

ORIGINAL
OPEN MEETING AGENDA ITEM



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BEFORE THE ARIZONA CORPORATION COMMISSION

MIKE GLEASON
Chairman
JEFF HATCH-MILLER
Commissioner
WILLIAM A. MUNDELL
Commissioner
KRISTIN K. MAYES
Commissioner
GARY PIERCE
Commissioner

Arizona Corporation Commission

DOCKETED

APR 18 2008

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IN THE MATTER OF THE APPLICATION)
OF SALT RIVER PROJECT)
AGRICULTURAL IMPROVEMENT AND)
POWER DISTRICT ON BEHALF OF ITSELF)
AND ARIZONA PUBLIC SERVICE COMPANY,)
SANTA CRUZ WATER AND POWER)
DISTRICTS ASSOCIATION, SOUTHWEST)
TRANSMISSION COOPERATIVE, INC. AND)
TUCSON ELECTRIC POWER IN CONFOR-)
MANCE WITH THE REQUIREMENTS OF)
ARIZONA REVISED STATUTES SECTION)
40-360, et. seq., FOR A CERTIFICATE OF)
ENVIRONMENTAL COMPATIBILITY)
AUTHORIZING CONSTRUCTION OF THE)
PINAL WEST TO SOUTHEAST VALLEY/)
BROWNING PROJECT INCLUDING THE CON-)
STRUCTION OF TRANSMISSION LINES)
FROM PINAL WEST TO THE BROWNING)
SUBSTATION AND OTHER INTERCONNECT-)
ION COMPONENTS IN PINAL AND)
MARICOPA COUNTIES, ARIZONA.)

Docket No. L00000B-04-0126-00000

Case No. 126

AZ CORP COMMISSION
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**SUPPLEMENT TO MOTION TO AMEND AND
REQUEST TO PLACE MATTER ON OPEN MEETING AGENDA
FOR DECISION**

On April 4, 2008, Salt River Project Agricultural Improvement and Power District ("SRP") filed a Motion to Amend Arizona Corporation Commission ("Commission") Decision No. 68093, requesting a wider permitted corridor for its planned but unbuilt transmission line, in the area west of the Pinal South Substation. On April 8, 2008, Pinal County moved to intervene in the proceeding, supporting the wider corridor. As contemplated in the motion, SRP has engaged in

1 a public outreach program to determine whether adjoining landowners and
2 residences might object to the wider corridor.

3 This Supplement is to report on the results of the public outreach. Currently
4 this matter is on the Commission's April 24 open meeting agenda for the purpose of
5 determining whether the matter should be set for hearing. Because SRP believes
6 that a hearing is not necessary, as explained further below, SRP requests that this
7 matter be placed for decision on an open meeting agenda at the Commission's
8 earliest convenience.

9 **I. The Public Outreach Effort**

10 As indicated in SRP's motion, SRP has undertaken a comprehensive effort to
11 inform the public of SRP's request. This is not the first time that the public has
12 been notified that transmission lines may be built in the corridor requested by SRP.
13 The first time was in connection with SRP Case No. 126, in which all owners and
14 residents within one-half mile of any proposed alignment were given notice of the
15 pending request for CEC authority. This included all owners within a one-half mile
16 radius of the corridor now requested by SRP. In Case No. 126 no member of the
17 public adjacent to the now requested corridor appeared or provided comments in
18 the proceeding.

19 Again, in Case No. 136 APS gave notice to the same owners and residents
20 within one-half mile of its proposed corridor. It is SRP's understanding that while
21 several owners in the area responded, no owner objected to the APS corridor.

22 For this motion SRP again provided notice to all residents and landowners
23 within one-half mile of the proposed corridor. Attached as Exhibit 1 to this motion
24 is a copy of the notice that was provided, by first class mail to approximately 324
25 addresses. All notices were mailed on April 7, 2008. The notices invited each

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1 person to contact SRP and provided the project's web site address for additional
2 information. SRP has received no inquiries from this first mailing.

3 Once this matter was placed on the Commission's April 24 agenda, SRP sent
4 out a second notice to the same residents and landowners located within the one-
5 half mile radius. A copy of this notice, which was mailed on April 18, is attached as
6 Exhibit 2. All of this information has been placed on the project web site at
7 AZPOWER.org.

8 There are two landowners whose property could be directly affected by SRP's
9 expanded corridor request: Alligator Farms (west of Pinal South) and a group of 11
10 co-owners (south of the County Fairgrounds). Each of these owners received both
11 the first and the second mailed notices.

12 Additionally, Alligator Farms has been personally notified, and its attorney
13 was provided a copy of SRP's application. Alligator Farms has expressed no
14 objection to the widened corridor. As a practical matter for Alligator Farms, the
15 wider corridor simply means that the lines may be located on a different edge of
16 the Alligator Farms' property.

17 SRP also made an effort to personally notify the 11 co-owners of the other
18 property south of the Fairgrounds. SRP determined through conversation with one
19 of the owners that one individual has been designated as the "point person" for the
20 group. SRP representatives personally met with this individual on April 17th; he
21 indicated that his group does understand the need for the transmission lines, but
22 may have some preference on where the line is located on the property.

23 The lack of response/objection by the homeowners is not surprising. The
24 homes are bordered to the north by a canal, with extensive vegetation, and in
25 some places portions of the golf course that borders the canal. Attached as Exhibit
26 3 to this motion are photographs from various locations that are fairly

1 representative of the views from the homes looking North toward the canal and
2 vegetation. These natural features form a buffer between the homes and the
3 transmission corridor, which may explain the lack of objection by the homeowners.

4 Likewise, the lack of objection by the large landowners is not surprising, as
5 they will be directly compensated for easement purchases.

6 **II. Next Steps**

7 Under A.R.S. §40-252, the Commission has several options in dealing with
8 this motion.

9 The first is to send the case back to the Siting Committee for further
10 evidence and findings on the environmental compatibility of the proposed corridor
11 alteration. There is no point in taking this step. The Siting Committee has already
12 been presented with evidence regarding the environmental impact of all of the
13 various routes in this corridor, both in the SRP case (Case No. 126) and the APS
14 case (Case No. 136). There was no objection to any of the SRP routes; and, in
15 fact, the Committee granted APS the same corridor as is being requested by SRP.

16 Not only is there nothing to be gained by sending the case back to the Siting
17 Committee, but such a step would have the likely effect of denying the application.
18 As SRP indicated in its motion, it must have a final decision on the corridor issue by
19 August 1, the final date that SRP can reasonably delay substation design and still
20 make the 2011 in-service date. It is unlikely that a hearing before the Siting
21 Committee, and a subsequent Commission action, could be completed by this date.

22 The second option is to send the case through a Commission hearing
23 process. As with the Siting Committee option, there is nothing that would be
24 gained by taking this step. Furthermore, this process also might put SRP's time
25 table at risk.

26 The third alternative and the one recommended by SRP, is to present SRP's

1 motion directly to the Commission at an appropriate open meeting. This approach
2 will allow the issue to be decided without impacting the tight design and
3 construction schedule.

4 **III. A.R.S. §40-252 allows this matter to go directly to an open meeting**
5 **before the Commission**

6 A.R.S. § 40-252 (enacted in 1912) provides in relevant part:

7 The commission may at any time, upon notice to the
8 corporation affected, and after opportunity to be heard as
9 upon a complaint, rescind, alter or amend any order or
10 decision made by it.

11 SRP cites the date of enactment of this statute to point out that this statute was in
12 effect long before the hearing division was created and Commission administrative
13 law judges were utilized. In fact, the statute was in place long before the open
14 meeting law and environmental siting statutes. The statute was enacted at a time
15 when hearings were held directly before the Commissioners.

16 The statute is simply a requirement for due process - to insure that the
17 Commission does not make a decision behind closed doors, without providing notice
18 and the opportunity for the "corporation affected" to be heard. For example, a
19 telephone notice to the attorney for a motor carrier made by a Commissioner
20 during the hearing was insufficient. *Gibbons v. Arizona Corporation Commission*,
21 95 Ariz 343, 390 P.2d 582 (1964). But, reasonable notice and an opportunity to be
22 heard satisfies the requirement. *Tonto Creek Estates Homeowners Association v.*
23 *Arizona Corporation Commission*, 177 Ariz. 49, 864 P.2d 1081 (App. 1993); *James*
24 *P. Paul Water Co. v. Arizona Corporation Commission*, 137 Ariz. 426, 671 P.2d 404
(1983).

25 In this matter, a "hearing" before the Commission, as well as a general
26 Commission process at an open meeting, fully meets this due process requirement


1 of the statutes. As there are no facts in dispute, there is no need for sworn
2 testimony and cross examination, either before an administrative law judge or
3 before the Commission. To the extent that SRP may have a right to this, SRP
4 waives the right.

5 **IV. Conclusion**

6 There is no objection to granting SRP's Motion. In fact, the motion is
7 supported by the affected jurisdiction, Pinal County. For these reasons SRP
8 requests that this matter be placed on an open meeting agenda for decision, and
9 that the Commission grant SRP's request to broaden its permitted corridor.

10 Dated this 18th day of April, 2008.

11 JENNINGS, STROUSS & SALMON, P.L.C.

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14 By  for
Kenneth C. Sundlof, Jr.
The Collier Center, 11th Floor
201 East Washington Street
Phoenix, Arizona 85004-2385
Attorneys for Applicant Salt River Project
Agricultural Improvement and Power
District

15
16
17
18
19 Karilee S. Ramaley
Salt River Project Agricultural
20 Improvement and Power District
Legal Services
21 PAB 207
P. O. Box 52025
22 Phoenix, AZ 85072-2025

23 ORIGINAL and 15 Copy of the
24 foregoing filed with Docket Control
on this 18th day of April, 2008,
25 COPY of the foregoing emailed and
mailed this 18th day of April, 2008,
26 to:

1 Janice Alward
2 Legal Division
3 ARIZONA CORPORATION COMMISSION
4 1200 W. Washington Street
5 Phoenix, AZ 85007

6 Ernest G. Johnson
7 Utilities Division
8 Arizona Corporation Commission
9 1200 W. Washington Street
10 Phoenix, AZ 85004

11 Gary Yaquinto
12 ARIZONA INVESTMENT COUNCIL
13 2100 North Central Avenue, Suite 210
14 Phoenix, AZ 85004

15 John R. Dacey
16 GAMMAGE & BURNHAM
17 Two North Central Avenue, 18th Floor
18 Phoenix, AZ 85004
19 Attorney for Miller Holdings, Inc.

20 Ursula H. Goodwin
21 K. Scott McCoy
22 Assistant City Attorney
23 CITY OF CASA GRANDE
24 510 E. Florence Road
25 Casa Grande, AZ 85222

26 Deborah R. Scott
Robert J. Metli
SNELL & WILMER, L.L.P.
One Arizona Center
Phoenix, AZ 85004
Attorneys for Pulte Homes Corporation

Roger K. Ferland
Michelle Deblasi
QUARLES BRADY STREICH LANG, LLP
Two North Central Avenue
Phoenix, AZ 85004-2391
Attorneys for Del Mar Development,
Robert & Rob Knorr of Knorr Farms,
and Trinity Baptist Church

///

1 Leonard M. Bell
2 MARTIN & BELL, LLC
3 365 E. Coronado, Suite 200
4 Phoenix, AZ 85004
5 Attorney for Casa Grande Mountain
6 Limited Partnership

7 George J. Chasse
8 Casa Grande Mountain Limited
9 Partnership
10 5740 E. Via Los Ranchos
11 Paradise Valley, AZ 85253

12 Lawrence V. Robertson, Jr.
13 2247 E. Frontage Road
14 P. O. Box 1448
15 Tubac City, AZ 85646
16 Attorney for SOVA, Walker Butte 700,
17 L.L.C., et al.

18 David William West
19 9249 N. Deer Trail Road
20 Maricopa, AZ 85239-4917
21 Attorney for SOVA

22 James E. Mannato
23 775 N. Main Street
24 P.O. Box 2670
25 Florence, AZ 85232

26 Court S. Rich
ROSE LAW GROUP, P.C.
7272 E. Indian School Road, Suite 306
Scottsdale, AZ 85251
Attorney for Langley Properties, LLC,
et al.

Karrin Kunasek Tayler
BISKIND HUNT & TAYLOR, P.L.C.
11201 N. Tatum Blvd., Suite 330
Phoenix, AZ 85028
Attorney for Pivotal Sandia, L.L.C., et
al.

///

///

1 Steven A. Hirsch
2 Rodney W. Ott
3 BRYAN CAVE LLP
4 Two North Central Avenue, Suite 2200
5 Phoenix, AZ 85004-4406
6 Attorneys for Vanguard Properties, et
7 al.
8
9
10
11
12
13
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By Mary Lish

April 4, 2008

Dear Property Owner,

On August 25, 2005, Salt River Project (SRP) received a Certificate of Environmental Compatibility (a permit) from the Arizona Corporation Commission (ACC) to build a 500 / 230 kV Transmission Line from the Pinal West Substation, located in the Hidden Valley area of Western Pinal County, to the Pinal South Substation, to be located east of the Pinal County Fairgrounds. From Pinal South Substation the line will continue north and connect the planned Southeast Valley and the existing Dinosaur and Browning substations. This 100+ mile power line adds much needed reliability and future electrical voltage support to support the future growth of these regions. View a map of the permitted line at www.azpower.org/pwsevbob.

APS is currently permitting a 230kV transmission line from the Sundance Generating Station to Pinal South Substation. I am writing to let you know that the possibility of collocation, or putting the SRP and APS lines in the same corridor, is currently under consideration. The goal of collocation is to allow SRP and APS to share some of the power line corridor to reduce the overall impact to the area.

To allow the broadest array of opportunities to collocate the SRP and APS lines, SRP has filed to request authorization from the ACC to expand its permitted corridor south to Earley Road (please see enclosed exhibit). This means that the SRP line could be built anywhere between the Laughlin Road alignment to the north and the Earley Road alignment to the south. If it is determined that the power line will be routed north of Earley Road, the closest structure (see enclosed exhibit) could be approximately 430' from the closest existing house. North of the canal and east of Eleven Mile Corner Road there is one house that could be approximately 140' from the line.

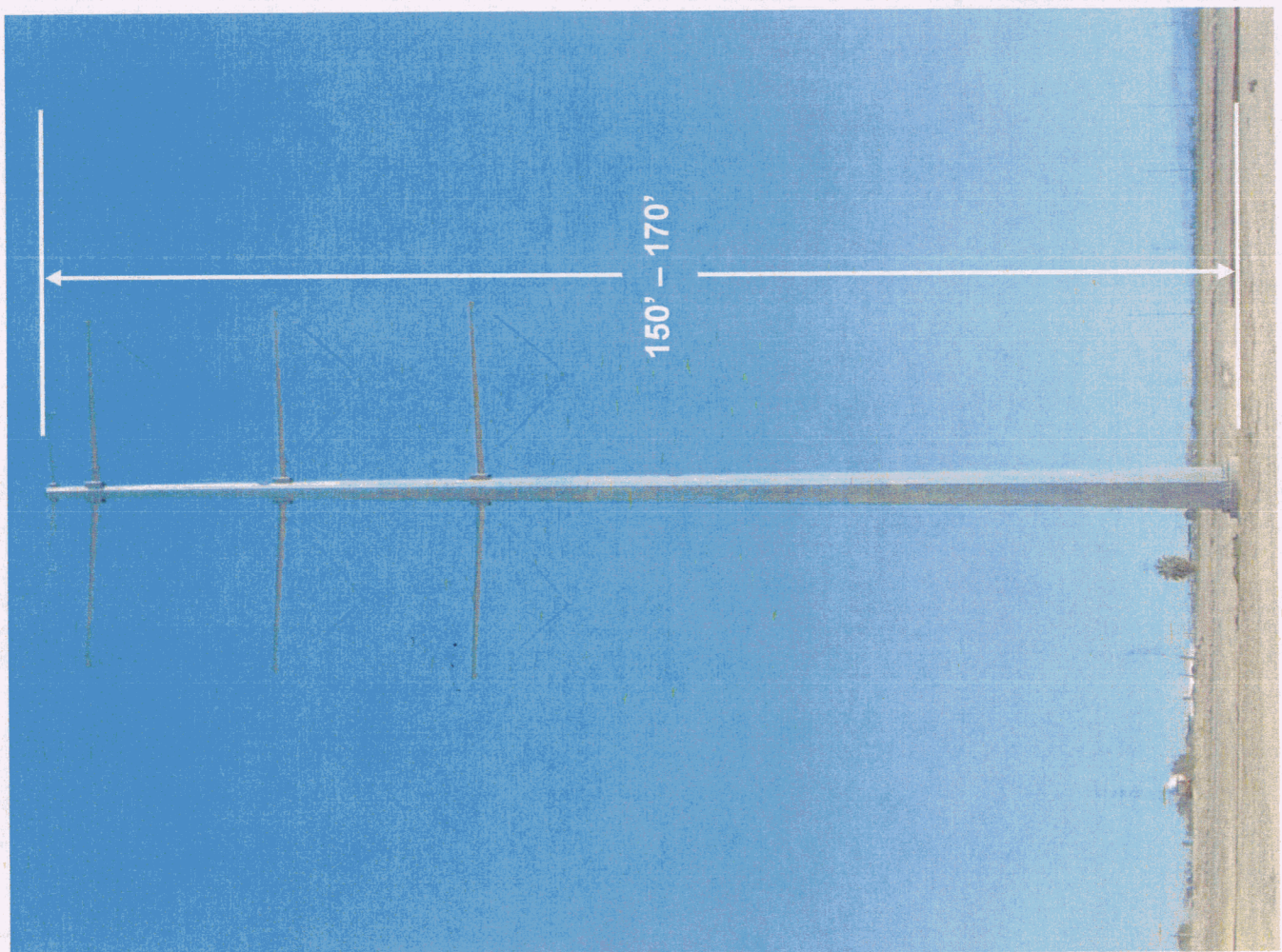
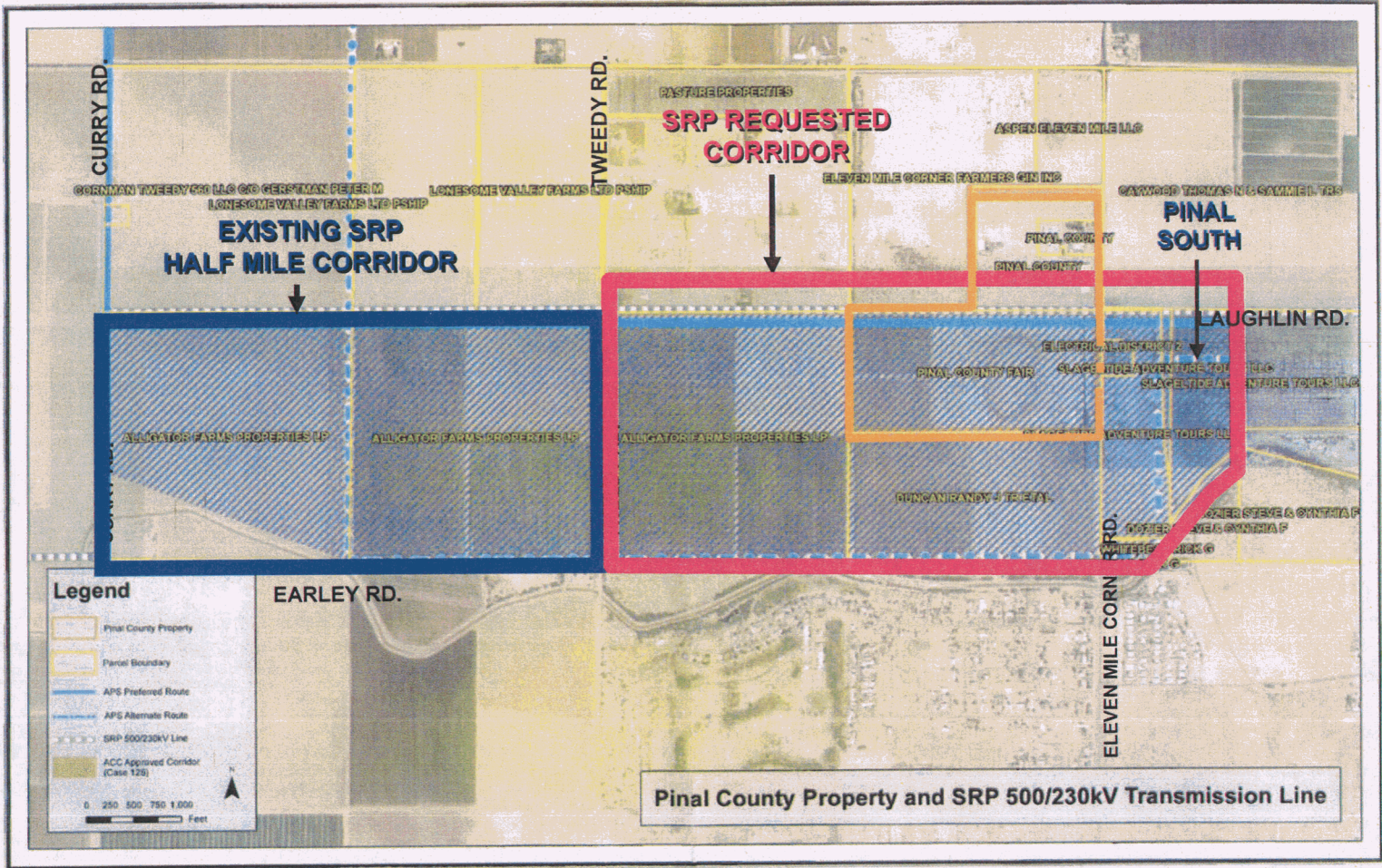
The ACC will consider SRP's request at an open meeting. The date of that meeting has not been determined. When the open meeting is scheduled the date will be posted by the ACC at www.azcc.gov/Divisions/Administration/Meetings/rg-agend.asp and also at the project web site provided above. You may attend and participate by providing public comment at that open meeting. You also may submit written comments to the ACC.

SRP appreciates the opportunity to provide clarification on this proposal. I encourage you to contact Janeen Rohovit, SRP Public Involvement, with any questions or concerns. Janeen can be reached at both 800-380-6123 and 602-236-2679.

Sincerely,

Dan Hawkins, SRP Project Manager

Project updates are found at www.azpower.org/pwsevbob.



Double Circuit 500/230kV Steel Pole

Dear Property Owner,

On April 4, 2008, SRP mailed a letter to property owners in your area indicating that SRP is requesting approval from the Arizona Corporation Commission (ACC) to widen our permitted corridor for the 500-kilovolt (kV) power line in your area; that letter can be viewed at www.azpower.org/pwsevbob. The ACC will consider SRP's request to expand the width of the power line corridor in an open meeting that will occur either on April 24, 2008 or April 28, 2008 (at the time this postcard was printed, SRP's item was listed last on the agenda; the item could be heard on April 24th or could carry over to the 28th).

The hearing will be held at the Arizona Corporation Commission Building at 1200 W. Washington St. in Phoenix beginning at 10:00 a.m. each day.

The ACC calendar can be viewed at www.azcc.gov/Divisions/Administration/Meetings/rf-agenda.asp.

SRP appreciates the opportunity to provide notice of this meeting and any clarification on this proposal. If you have any questions or concerns about this project, we encourage you to call **Janeen Rohovit, SRP Public Involvement** at **1 (800) 380-6123** or **(602) 236-2679**.



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P.O. Box 52025
Phoenix, AZ 85072-2025

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ACC TO CONSIDER SRP'S REQUEST TO
EXPAND 500KV POWER LINE CORRIDOR

